

**E3SSB 5887** - H AMD TO H AMD (5887-S3.E AMH CODY BLAC 155) **981**

By Representative Condotta

1 On page 23, after line 32 of the striking amendment, insert the  
2 following:

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4 "NEW SECTION. **Sec. 20.** (1) A state cannabis industry  
5 coordinating committee is established, with members as provided in  
6 this subsection.

7 (a) The president of the senate shall appoint one member from each  
8 of the two largest caucuses of the senate.

9 (b) The speaker of the house of representatives shall appoint one  
10 member from each of the two largest caucuses of the house of  
11 representatives.

12 (c) The governor shall appoint members representing the following  
13 state agencies:

- 14 (i) The liquor control board;  
15 (ii) The department of health;  
16 (iii) The department of commerce;  
17 (iv) The department of revenue;  
18 (v) The office of the treasurer;  
19 (vi) The department of agriculture; and  
20 (vii) The department of financial institutions.

21 (d) The governor shall appoint seven members representing medical  
22 marijuana patients as follows:

- 23 (i) A health care professional with experience authorizing  
24 qualifying patients for the medical use of marijuana;  
25 (ii) Two qualifying patients or their designated providers;  
26 (iii) A medical marijuana advocate;  
27 (iv) A medical marijuana producer;

1 (v) A medical marijuana processor; and

2 (vi) A medical marijuana retailer or a person with experience  
3 providing marijuana to or consulting with qualifying patients.

4 (e) One representative each from the association of Washington  
5 cities and the Washington state association of counties.

6 (f) The governor shall appoint up to nine industry stakeholders  
7 representing established and emerging markets for the use of cannabis  
8 including, but not limited to, the various commercial uses of  
9 industrial hemp, food processing, farmers' markets, tourism, banking,  
10 and other uses that may be relevant.

11 (2) The committee must appoint its cochairs, one of which shall be  
12 from among its legislative membership. The committee shall make rules  
13 for orderly procedure and, in addition to the subcommittee required in  
14 subsection (3) of this section, the committee may form subcommittees  
15 to accomplish its work.

16 (3) The committee shall appoint a medical marijuana subcommittee  
17 for the purpose of reviewing and making recommendations on the  
18 following issues:

19 (a) Whether RCW 69.50.331(8) prevents the siting of marijuana  
20 retailers who hold medical marijuana endorsements and what may be done  
21 to assist the state and local governments in siting these retail  
22 outlets;

23 (b) Whether there is a need for retail outlets that are licensed  
24 to only sell medical marijuana to qualifying patients or designated  
25 providers;

26 (c) Whether a marijuana producer or marijuana processor  
27 endorsement should be established to permit a producer or processor to  
28 sell directly to qualifying patients and designated providers and  
29 whether these licensees are producing marijuana concentrates, useable  
30 marijuana, and marijuana-infused products that are meeting the needs  
31 of medical marijuana patients;

32 (d) Whether posttraumatic stress disorder should be added to  
33 terminal or debilitating medical conditions that qualify a person for  
34 the medical use of marijuana;

1 (e) Whether a different method of taxation should be established  
2 for those products designated by the liquor control board as being  
3 beneficial for qualifying patients and designated providers. This  
4 includes whether these products should be taxed at a different rate  
5 than products intended for nonmedical use or whether they should be  
6 provided with tax exemptions;

7 (f) Options for funding the medical marijuana registry; and

8 (g) Any other matters pertinent to promoting access to safe and  
9 affordable marijuana for medical use by qualifying patients.

10 (4) The committee has the following powers and duties:

11 (a) Developing a state comprehensive plan that identifies and  
12 coordinates the various business opportunities within the cannabis  
13 industry, including potential opportunities;

14 (b) Recommending a state financial system that best implements the  
15 state's marijuana marketplace while maximizing public safety, accurate  
16 tax accounting, and compliance with the United States attorney  
17 general's guidance regarding marijuana enforcement and guidance  
18 regarding marijuana-related financial crimes on implementation of  
19 Initiative Measure No. 502;

20 (c) Developing a method for monitoring and assessing the economic  
21 returns the cannabis industry delivers to the state;

22 (d) Examining and reporting on any changes in federal law that may  
23 impact the legal operations of the cannabis industry in the state;

24 (e) Making recommendations for a statewide cannabis industry  
25 coordinator;

26 (f) Recommending options for the distribution of tax revenue from  
27 the sale of marijuana; and

28 (g) Making recommendations specific to the medical use of  
29 marijuana as described in subsection (3) of this section.

30 (5) The committee shall provide specific preliminary  
31 recommendations to the appropriate committees of the legislature by  
32 December 15, 2014, and a final report by January 10, 2016.

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1 (6) Staff support for the committee must be provided by senate  
2 committee services, the house of representatives office of program  
3 research, and the represented state agencies.

4 (7) Legislative members of the committee must serve without  
5 additional compensation, but must be reimbursed for travel expenses in  
6 accordance with RCW 44.04.120. Nonlegislative members, except those  
7 representing an employer or organization, are entitled to be  
8 reimbursed for travel expenses in accordance with RCW 43.03.050 and  
9 43.03.060.

10 (8) The expenses of the committee must be paid jointly by the  
11 senate and the house of representatives. Committee expenditures are  
12 subject to approval by the senate facilities and operations committee  
13 and the house of representatives executive rules committee, or their  
14 successor committees.

15 (9) Meetings of the committee are subject to the open public  
16 meetings act, chapter 42.30 RCW.

17 (10) This section expires January 31, 2016."  
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19 Renumber the remaining sections and correct any internal  
20 references accordingly.

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EFFECT: Establishes the State Cannabis Industry Coordinating Committee (Committee) which includes legislators, Executive Branch representatives, medical marijuana patient representatives, local government representatives, and industry stakeholders. Directs the Committee to make recommendations for a state plan for coordinating the cannabis industry, creating a financial system for the marijuana marketplace, monitoring economic returns, monitoring federal law, creating a cannabis industry coordinator, distributing tax revenue, and considering other options for medical marijuana.

Directs the Committee to appoint a medical marijuana subcommittee to study issues related to marijuana retailers, producers, and processors; the addition of posttraumatic stress disorder as a recognized condition; taxation; and funding of the medical marijuana registry.

Requires the Committee to report to the Legislature by December 15, 2014 and January 10, 2016.

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